

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**Division of Housing Policy Development**

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December 22, 2004

Mr. Steven L. Thompson
City Manager
City of Buellton
107 W. Highway 246
P.O. Box 1819
Buellton, CA 93427

Dear Mr. Thompson:

RE: Review of the City of Buellton's Adopted Housing Element

Thank you for submitting Buellton's housing element adopted on June 10, 2004 and received for review on October 7, 2004. As you know, the Department is required to review adopted housing elements and report our findings to the locality pursuant to Government Code Section 65585(h).

The Department's June 2, 2004 review found the draft revisions addressed the statutory requirements of housing element law. Since the adopted housing element is substantially the same as the revised draft, the Department is pleased to find it in full compliance with State housing element law (Article 10.6 of the Government Code).

The City of Buellton is commended for strengthening programs to achieve affordable infill housing objectives by, for example, modifying development fees and relevant development standards, including Community Design Guidelines. Other commendable program actions include the City's commitment to conduct annual workshops promoting the availability of housing assistance programs. These revised program strategies will allow Buellton to effectively address the housing needs of its families and workers while creating vibrant, livable neighborhoods.

As outlined in the Department's June 2, 2004 review, the finding of compliance is conditioned on successful completion of the following program implementation actions: (1) approve amendments to the zoning ordinance to establish an Affordable Housing Ordinance Overlay Zone (AHOZ), and (2) by no later than December 31, 2005, formally designate a specific amount of land (i.e., "key development sites"), in conjunction with the General Plan Update (Program 1), with either the permissive or restrictive AHOZ designation such that the City can accommodate its remaining regional share need for lower-income households (Program 2a (i) and (ii), revised May 17, 2004).

These program actions provide an ambitious rezone strategy that serve as an alternative to identifying sites with appropriate base zoning and enable Buellton to accommodate its new construction need for the 2003-2009 planning period.

Application of the AHOZ (e.g., permissive and/or restrictive) to a sufficient number of sites and maintaining an adequate supply of appropriately designated sites at all times throughout the planning period is critical for the City to provide viable residential development opportunities commensurate with its regional housing need, particularly for lower-income households (234 units).

Pursuant to both Program 21 and Government Code Section 65400 (the annual general plan implementation reporting process), the City must monitor and report on the implementation of all housing assistance programs, with a focus on Programs 1 and 2. The reports are due to the local legislative body and this Department by October 1 of each year. If the City's 2005 annual report reveals the City has not rezoned and applied the AHOZ to a sufficient number of sites to accommodate its regional housing need for lower-income households, Buellton's housing element would no longer identify adequate sites, and would require immediate amendment to provide alternate appropriately zoned sites. Failure to submit forthcoming annual reports by the due date, with the necessary evaluation and information, will trigger a review by the Department of the implementation status of the identified programs and element.

In addition, because the City's adopted housing element is in compliance, Buellton has met one of the threshold requirements for an innovative new program that rewards local governments for approving affordable workforce housing. The Workforce Housing Program, funded by Proposition 46, provides grant funds to eligible local governments for every qualifying unit permitted, beginning calendar year 2004. Grant awards can be used to fund any capital asset project, such as transportation or park improvements. More specific information about the program is available on the Department's website at <http://www.hcd.ca.gov/ca/whrp/>.

For your information, upon completion of an amended or adopted housing element, a local government is responsible for distributing a copy of the element to area water and sewer providers (Government Code Section 65589.7). This section of law requires public and/or private water and wastewater providers to give priority in their current and future resource or service allocations to proposed housing development projects which help meet a locality's share of the regional need for lower-income households.

The cooperation and dedication exhibited during the course of the review by Messrs. Ray Severn, Buellton's Planning Director, and Tom Figg, the City's consultant, are greatly appreciated. The Department looks forward to following the City's progress and achievements through its forthcoming general plan implementation reports. If the Department can be of assistance in implementing Buellton's housing programs and policies, please contact Don Thomas, of our staff, at (916) 445-5854.

In accordance with requests pursuant to the Public Records Act, copies of this letter have been forwarded to the persons and organizations listed below.

Sincerely,

A handwritten signature in black ink, reading "Cathy E. Creswell". The signature is fluid and cursive, with the first name "Cathy" and last name "Creswell" clearly legible.

Cathy E. Creswell
Deputy Director

cc: Ray Severn, Planning Director, City of Buellton
Tom Figg, Consultant, Thomas Figg Consulting Services
Mark Stivers, Senate Committee on Housing & Community Development
Suzanne Ambrose, Supervising Deputy Attorney General, AG's Office
Terry Roberts, Governor's Office of Planning and Research
Nick Cammarota, California Building Industry Association
Marcia Salkin, California Association of Realtors
Kirk Ah Tye, California Rural Legal Assistance, Inc.
Jeannie Barrett, California Rural Legal Assistance, Inc.
Marc Brown, California Rural Legal Assistance Foundation
Rob Weiner, California Coalition for Rural Housing
John Douglas, AICP, Civic Solutions
Deanna Kitamura, Western Center on Law and Poverty
S. Lynn Martinez, Western Center on Law and Poverty
Alexander Abbe, Law Firm of Richards, Watson & Gershon
Michael G. Colantuono, Colantuono, Levin & Rozell, APC
Ilene J. Jacobs, California Rural Legal Assistance, Inc.
Richard Marcantonio, Public Advocates